## STATE OF VERMONT PUBLIC UTILITY COMMISSION

Case No. 20-0703-PET

Vermont Legal Aid request for a moratorium	
on utility and telecommunications shutoffs	
during State of Emergency	

Order entered:

12/22/2020

# ORDER REINSTATING THE TEMPORARY MORATORIUM ON DISCONNECTION

This proceeding concerns a petition from Vermont Legal Aid to the Vermont Public Utility Commission ("Commission") requesting the temporary halt of involuntary utility disconnections during the state of emergency in Vermont because of the COVID-19 pandemic.

In today's Order, the Commission partially grants the motions filed by Vermont Legal Aid and the Vermont Department of Public Service ("Department") and we reimpose a moratorium on the disconnection of certain utility services 1 through March 31, 2021, which coincides with the annual end date for the Commission's enhanced requirements for winter disconnections.<sup>2</sup>

The Commission grants this moratorium while also strongly encouraging utility customers to continue working with their utilities to put in place payment agreements that help utility consumers avoid building up unmanageable past-due balances and be better prepared to avoid disconnection when the moratorium ends.

#### I. BACKGROUND

On March 18, 2020, the Commission issued an Order granting a temporary moratorium on involuntary utility service disconnections in Vermont. Over the course of the next several months, the Commission issued additional Orders that extended and expanded the protections in that Order until October 15, 2020.

<sup>&</sup>lt;sup>1</sup> This Order reinstates the temporary moratorium on involuntary disconnection of natural gas, electric, and traditional landline telecommunications service to consumers of regulated utilities in Vermont, except for unoccupied properties.

<sup>&</sup>lt;sup>2</sup> See Commission Rule 3.304.

On October 8, 2020, the Commission lifted the moratorium, effective October 15, 2020, while also ordering new, mandatory consumer protections for utility customers who are facing economic hardships as a result of the COVID-19 pandemic.<sup>3</sup>

On November 16, 2020, the Vermont Department of Public Service filed comments on the operations of the Vermont Covid-19 Arrearage Assistance Program ("VCAAP")<sup>4</sup> per the Commission's request in the October 8, 2020, Order.<sup>5</sup>

On December 10, 2020, AT&T Corporation filed comments replying to the October 8, 2020, Order.<sup>6</sup>

On December 11, 2020, Vermont Legal Aid filed a motion requesting that the Commission reinstate the moratorium on utility disconnections.<sup>7</sup>

On December 14, 2020, the Department also filed a motion requesting that the Commission reinstate the moratorium on utility disconnections.<sup>8</sup>

On December 14, 2020, the Commission issued an Order asking for comments on Vermont Legal Aid's and the Department's motions to be filed no later than December 18, 2020.

On December 14, 2020, the City of Burlington Electric Department ("BED"), Vermont Gas Systems, Inc. ("VGS"), and Green Mountain Power Corporation ("GMP") all filed comments in response to the October 8, 2020, Order. Public comments were also filed on this day by the Vermont Public Interest Research Group, on behalf of itself and 10 other

<sup>&</sup>lt;sup>3</sup> Order Ending the Temporary Disconnection Moratorium and Ordering Protections for Utility Customers Facing Economic Hardships, Case No. 20-0703-PET, issued on 10/8/2020 ("10/8 Order")

<sup>&</sup>lt;sup>4</sup> VCAAP was a program that provided eligible Vermont households and businesses with a grant to pay for past-due balances for utility bills. Residential households and non-residential account holders who suffered an economic hardship due to loss of income precipitated by COVID-19 could apply for assistance. The VCAAP stopped accepting applications on December 15, 2020.

<sup>&</sup>lt;sup>5</sup> Letter from James H. Porter, Director for Public Advocacy, to Judith C. Whitney, Clerk of the Commission, Case 20-0703-PET, filed on 11/16/2020 ("VCAAP Report").

<sup>&</sup>lt;sup>6</sup> Letter from James A. Huttenhower, Esq., to Judith C. Whitney, Clerk of the Commission, Case 20-0703-PET, filed on 12/10/2020 ("AT&T 12/10 Comments").

<sup>&</sup>lt;sup>7</sup> Vermont Legal Aid Motion, Case No. 20-0703, filed on 12/11/2020 ("Vermont Legal Aid Motion").

<sup>&</sup>lt;sup>8</sup> Public Service Department Motion to Reinstate Emergency Disconnection Moratorium, Case No. 20-0703-PET, filed on 12/14/2020 ("Department Motion").

<sup>&</sup>lt;sup>9</sup> Letter from Amber Widmayer, Regulatory Specialist, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/14/2020 ("BED 12/14 Comments").

<sup>&</sup>lt;sup>10</sup> Letter from Matthew Allen, Customer Care Manager, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/14/2020 ("VGS 12/14 Comments").

<sup>&</sup>lt;sup>11</sup> Letter from Steve Costello, Vice President Customer Care, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/14/2020 ("GMP 12/14 Comments").

organizations ("VPIRG Coalition"), <sup>12</sup> and by 356 Vermonters who jointly filed comments ("356 Vermonters"). <sup>13</sup>

On December 15, 2020, BED filed updated comments, <sup>14</sup> and all of the following filed comments on the October 8, 2020, Order: Barton Village Inc. Electric Department, <sup>15</sup> Washington Electric Cooperative, Inc. ("WEC"), <sup>16</sup> Village of Johnson Water & Light Department, <sup>17</sup> Consolidated Communications of Vermont Company, LLC ("Consolidated"), <sup>18</sup> Town of Stowe Electric Department, <sup>19</sup> Village of Morrisville Water & Light Department, <sup>20</sup> Village of Enosburg Falls Water & Light Department Inc., <sup>21</sup> Village of Jacksonville Electric Company, <sup>22</sup> Town of Hardwick Electric Department, <sup>23</sup> Village of Ludlow Electric Light Department, <sup>24</sup> MCI Communications Services, Inc., doing business as Verizon Business Services, and MCI Metro Access Transmission Services, Inc., doing business as Verizon Access Services ("Verizon"), <sup>25</sup>

<sup>&</sup>lt;sup>12</sup> VPIRG filed these comments on behalf of itself and the following organizations: 350 VT, AARP Vermont, Capstone Community Action, Community Action Works, Rights & Democracy, Seventh Generation, Vermont Affordable Housing Coalition, Vermont Conservation Voters, Vermont Low Income Advocacy Council, and the Vermont Natural Resources Council. Public Comments filed by Ben Edgerly Walsh, Climate & Energy Program Director, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/14/2020 ("Coalition 12/14 Comments").

<sup>&</sup>lt;sup>13</sup> Public Comments filed by Esther Agnew and others, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/14/2020 ("350 Vermonters 12/14 Comments").

<sup>&</sup>lt;sup>14</sup> Letter from Amber Widmayer, Regulatory Specialist, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("BED Update").

<sup>&</sup>lt;sup>15</sup> Comments from Barton Village Inc. Electric Department, Case No. 20-0703-PET, filed on 12/15/2020 ("Barton 12/15 Comments")

<sup>&</sup>lt;sup>16</sup> Letter from Ronald A. Shems, Esq., to Judith C. Whitney, Clerk of the Commission, filed on 12/15/2020 ("WEC 12/15 Comments").

<sup>&</sup>lt;sup>17</sup> Letter from Meredith Dolan, Village of Johnson Water & Light Department, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Johnson 12/15 Comments").

<sup>&</sup>lt;sup>18</sup> Letter from Erika P. Smith, Consolidated, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Consolidated 12/15 Comments").

<sup>&</sup>lt;sup>19</sup> Letter from Michael Lazorchak, Manager of Regulatory Compliance, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Stowe Electric 12/15 Comments").

<sup>&</sup>lt;sup>20</sup> Letter from Village of Morrisville Water & Light Department, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Morrisville 12/15 Comments").

<sup>&</sup>lt;sup>21</sup> Letter from Laurie Stanley, Staff Accountant, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Enosburg 12/15 Comments").

<sup>&</sup>lt;sup>22</sup> Letter from Pamela Moore, Clerk, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Jacksonville 12/15 Comments").

<sup>&</sup>lt;sup>23</sup> Letter from Town of Hardwick Electric Department to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Hardwick 12/15 Comments").

<sup>&</sup>lt;sup>24</sup> Letter from Village of Ludlow Electric Light Department to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Ludlow 12/15 Comments").

<sup>&</sup>lt;sup>25</sup> Letter from Alexander W. Moore, Associate General Counsel, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Verizon 12/15 Comments").

Village of Lyndonville Electric Department, <sup>26</sup> Vermont Electric Cooperative, Inc. ("VEC"), <sup>27</sup> Town of Northfield Electric Department, <sup>28</sup> Village of Orleans Electric Department, <sup>29</sup> Swanton Village, Inc. Electric Department, <sup>30</sup> and CenturyLink. <sup>31</sup>

On December 16, 2020, CenturyLink filed additional comments,<sup>32</sup> and the Eight RLECS<sup>33</sup> filed comments.

On December 17, 2020, Consolidated<sup>34</sup> and VGS<sup>35</sup> each filed additional comments.

On December 18, 2020, the Village of Hyde Park Electric Department ("Hyde Park Electric"), <sup>36</sup> the Vermont Public Power Supply Authority ("VPPSA"), <sup>37</sup> and the Eight RLECS<sup>38</sup> filed additional comments.

<sup>&</sup>lt;sup>26</sup> Letter from Village of Lyndonville Electric Department to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Lyndonville 12/15 Comments").

<sup>&</sup>lt;sup>27</sup> Letter from Andrea Cohen, Manager of Government Affairs and Member Relations, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("VEC 12/15 Comments").

<sup>&</sup>lt;sup>28</sup> Letter from Jeff Schulz, Town Manager, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Northfield 12/15 Comments").

<sup>&</sup>lt;sup>29</sup> Letter from Village of Orleans Electric Department to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Orleans 12/15 Comments").

<sup>&</sup>lt;sup>30</sup> Letter from Lynn Paradis, Assistant Village Manager/Controller, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("Swanton 12/15 Comments")

<sup>&</sup>lt;sup>31</sup> CenturyLink is comprised of TelCove Operations, LLC; Global Crossing Local Services, Inc.; Level 3 Communications, LLC; Level 3 Telecom Data Services, LLC; Wiltel Communications, LLC; Broadwing Communications, LLC; CenturyLink Communications, LLC; and Global Crossing Telecommunications, Inc. Letter from Zsuzsanna E. Benedek, Esquire, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/15/2020 ("CenturyLink 12/15 Comments").

<sup>&</sup>lt;sup>32</sup> CenturyLink 12/16 Comments.

<sup>&</sup>lt;sup>33</sup> The Eight RLECS are Franklin Telephone Company, Inc.; Ludlow Telephone Company, doing business as TDS Telecom; Northfield Telephone Company, doing business as TDS Telecom; Perkinsville Telephone Company, Inc., doing business as TDS Telecom (the three foregoing, together, "TDS Telecom"); Shoreham Telephone LLC, doing business as Otelco; Topsham Telephone Company, Inc.; Vermont Telephone Company, Inc., doing business as VTel; and Waitsfield- Fayston Telephone Company, Inc., doing business as Waitsfield Telecom, doing business as Champlain Valley Telecom. Letter & Comments from Paul J. Phillips, Esq., to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/16/2020.

<sup>&</sup>lt;sup>34</sup> Letter from Erika P. Smith, Consolidated, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/17/2020 ("Consolidated 12/17 Comments").

<sup>&</sup>lt;sup>35</sup> Letter from Matthew Allen, Customer Care Manager, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/17/2020 ("VGS 12/17 Comments").

<sup>&</sup>lt;sup>36</sup> Letter from Carol Robertson, General Manager, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/18/2020 ("Hyde Park 12/18 Comments").

<sup>&</sup>lt;sup>37</sup> VPPSA members include Barton Village, Inc. Electric Department, Village of Enosburg Falls Water & Light Department Inc., Town of Hardwick Electric Department, Village of Jacksonville Electric Company, Village of Johnson Water & Light Department, Village of Ludlow Electric Light Department, Village of Lyndonville Electric Department, Village of Morrisville Water & Light Department, Town of Northfield Electric Department, Village of Orleans Electric Department, and Swanton Village, Inc. Electric Department. Letter from Melissa Bailey, Manager of Government and Member Relations, to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/18/2020 ("VPPSA 12/18 Comments").

<sup>&</sup>lt;sup>38</sup> Letter from Paul J. Phillips, Esq., to Judith C. Whitney, Clerk of the Commission, Case No. 20-0703-PET, filed on 12/18/2020 ("RLEC 12/18 Comments").

No other comments were filed with the Commission.

II. VCAAP REPORT

On November 16, 2020, the Department filed the results of the VCAAP as of that date:

Arrearage Expenditures <sup>39</sup>				
From March 1, 2020 through November 12, 2020				
Vendor	Amount	Percentage		
Green Mountain Power Corp	\$ 2,740,836.65	72.31%		
Vermont Electric Cooperative Inc	262,162.41	6.92%		
Vermont Gas Systems Inc	177,953.16	4.70%		
Washington Electric Co-op Inc	157,099.80	4.14%		
Burlington City Treasurer	126,644.99	3.34%		
Lyndonville Village Electric Dept	38,987.72	1.03%		
Hardwick Electric Dept	35,648.64	0.94%		
Stowe Town Electric Dept	28,863.51	0.76%		
Barton Village Treasurer	26,446.66	0.70%		
Swanton Village Treasurer	24,093.90	0.64%		
Enosburg Falls Village Treasurer	23,705.23	0.63%		
Johnson Village Treasurer	20,407.09	0.54%		
Morrisville Water & Light Department	19,563.71	0.52%		
Orleans Village Treasurer	17,487.94	0.46%		
Village of Ludlow Electric Light Dept	14,249.06	0.38%		
Jacksonville Village Electric Co	12,170.16	0.32%		
Consolidated Communications, Inc	11,663.24	0.31%		
Waitsfield-Fayston Telephone Co Inc	10,756.91	0.28%		
Town of Northfield	9,190.53	0.24%		
Hyde Park Village Treasurer	6,914.87	0.18%		
Champlain Valley OEO	6,773.67	0.18%		
BROC-Community Action in Southwestern	6,240.00	0.16%		
Topsham Telephone	3,544.82	0.09%		
Vermont Telephone Company	2,012.01	0.05%		
Schulte, William R.	2,000.00	0.05%		
Burlington Telecom	1,963.96	0.05%		
Southeastern Vermont Community Action	1,608.11	0.04%		
Franklin Telephone Co Inc	517.40	0.01%		
Woodstock Aqueduct Company	396.43	0.01%		
Consolidated Communications of Northland	323.97	0.01%		
Totals	\$ 3,790,226.55	100.00%		

<sup>&</sup>lt;sup>39</sup> VCAA Report at 2.

## **III. COMMENTS ON VCAAP PARTICIPATION**

On October 8, 2020, the Commission issued an Order that, among other things, asked utilities to answer the following questions:

- 1. How has lifting the moratorium affected their disconnection numbers?
- 2. How many of their customers have made use of VCAAP funding?
- 3. What percentage of their customers who have arrearages are actively participating in, or seeking to participate in, discussions about repayment plans?<sup>40</sup>

From December 10, 2020, through December 17, 2020, utilities filed comments in response to the Commission's questions. The utilities responded as follows.

## How has lifting the moratorium affected disconnection numbers?

**Village of Hyde Park Electric Department** states that lifting the moratorium "has had no real effect" because the moratorium was lifted on October 15, and there has only been 60 days of collection opportunity since the moratorium was lifted. During that 60-day period only two disconnection notices were sent.<sup>41</sup>

The Eight RLECS provided all three of their answers in the form of the following chart:

## Case No. 20-0703-PET Exhibit RLEC-1

Company	Disconnections since October 15, 2020	No. of customers receiving VCAAP payments	# or % of customers with arrearages having or discussing payment plans
Franklin	5 (1 customer who is now reconnected + 4 seasonal customers who departed without paying)	7 (out of 8 applicants)	2 out of 3 (67%)
Shoreham	13	1	01

<sup>&</sup>lt;sup>40</sup> Vermont Legal Aid request for moratorium on utility and telecommunications shutoffs during State of Emergency, Case No. 20-0703-PET, filed on 10/8/2020, at 14.

<sup>&</sup>lt;sup>41</sup> Hyde Park 12/18 Comments at 1.

TDS Telecom (Ludlow/ Northfield/ Perkinsville)	October: 3 (all now reconnected) November: 24 (12 now reconnected)	3 (out of 5 applicants)	$0_1$
Topsham	0	32	96 (75%)
VTel	October: 9 (4 now reconnected) November: 11 (6 now reconnected)	35	16 out of 32 (50%) <sup>2</sup>
WCVT	$0^{2}$	88	03

<sup>&</sup>lt;sup>1</sup> No customers have requested repayment plans, but the company remains willing to establish a repayment plan at the customer's request.

**Swanton Village, Inc. Electric Department** states that it sent 524 disconnect notices in October 2020, and 494 disconnect notices in November 2020. In the month of November 2020, 10 accounts were disconnected. Comparatively, 722 disconnect notices were sent in October 2019, and 578 disconnect notices were sent in November 2019; 15 accounts were disconnected in October 2019 and 3 in November 2019.<sup>42</sup>

**Village of Orleans Electric Department** states that "lifting the disconnect moratorium gave us the opportunity needed to have serious discussions with our customers that there would be genuine consequences to non-payments and in turn gave our customers the incentive to apply for VCAAP."<sup>43</sup>

**Town of Northfield Electric Department** sent "237 disconnect notices on December 2, 2020, and no customers have yet been disconnected. On average, [Northfield Electric Department] issues about 266 disconnect notices per month. Total arrearages for the period ending November 30, 2020, were \$95,109.98, as compared to \$56,455.34 for the period ending November 30, 2019."

VEC included a chart of past due balances and states that the number of accounts in the over 60-day and over 90-day categories stayed relatively stable from the end of August through

<sup>&</sup>lt;sup>2</sup> Company contacts all account holders with arrearages regarding potential payment plans and generally approves any reasonable payment arrangement.

<sup>&</sup>lt;sup>3</sup> WCVT is not processing disconnections or collections at this time but will restart in January 2021.

<sup>&</sup>lt;sup>42</sup> Swanton 12/15 Comments at 1.

<sup>&</sup>lt;sup>43</sup> Orleans 12/15 Comments at 1.

<sup>&</sup>lt;sup>44</sup> Northfield 12/15 Comments at 1.

the end of October but that "[[t]here was a meaningful drop in [the] number of members in those categories in November, which we surmise was due to the lifting of the moratorium supported by the availability of funding and continued outreach."<sup>45</sup>

**Village of Lyndonville Electric Department** states that it completed three cycles of disconnections, consisting of mailing 375 customers delinquent notices (85 of those customers were 60+ days in arrears), and conducting 22 actual disconnections. Four of the customers disconnected were reconnected after they enrolled in the VCAAP program, and 13 of the customers disconnected enrolled in a 12-month extended payment plan.<sup>46</sup>

**Verizon** states that "[l]ifting the moratorium has not affected Verizon's disconnection numbers. When the moratorium ended, Verizon decided not to disconnect any customers for nonpayment while the VCAAP continued to accept applications, and it has not disconnected any Vermont customer since the Order issued."<sup>47</sup>

Village of Ludlow Electric Light Department states that it has not done any disconnects during this time.<sup>48</sup>

**Town of Hardwick Electric Department** states that the "number of customers with arrearages dropped 4% from October 2020 to November 2020." 49

**Village of Jacksonville Electric Company** states that "[l]ifting the moratorium has had little effect on our disconnection numbers. We have been and continue to work with customers to help them come up with and stick to a payment plan if they are unable to pay in full. We also have been sharing the VCAAP program with customers in hopes they apply for help if eligible." <sup>50</sup>

**Village of Enosburg Falls Water & Light Department Inc.** states that it did not see an increase in disconnections compared to prior years during the same months.<sup>51</sup>

**Village of Morrisville Water & Light Department** states that "[t]he number of actual disconnections since the moratorium was lifted is comparable to this time a year ago – only two (2) customers (one being a vacant property). Lifting the moratorium has enabled us to

 $<sup>^{45}</sup>$  VEC 12/15 Comments at 1 and 2

<sup>&</sup>lt;sup>46</sup> Lyndonville 12/15 Comments at 1.

<sup>&</sup>lt;sup>47</sup> Verizon 12/15 Comments at 1.

<sup>&</sup>lt;sup>48</sup> Ludlow 12/15 Comments at 1.

<sup>&</sup>lt;sup>49</sup> Hardwick 12/15 Comments at 1.

<sup>&</sup>lt;sup>50</sup> Jacksonville 12/15 Comments at 1.

<sup>&</sup>lt;sup>51</sup> Enosburg 12/15 Comments at 1.

communicate with those customers who were in arrears but had not had any contact with us. The disconnection process assisted in requiring these customers to reach out to us, which presented us the opportunity to provide information and assistance to them. The majority of these customers were able to apply and receive VCAAP funding to pay off their arrearages."52

**Stowe Electric** states that it "has not pursued any customer disconnections during the COVID-19 pandemic and Governor's State of Emergency Order" but rather has focused on customer outreach.<sup>53</sup>

**Consolidated** states that it "has not yet begun to process disconnections for residential and business basic services at this time. Consolidated expects to begin the collection process for basic services in the next several weeks."<sup>54</sup>

**CenturyLink** states that the "end of the moratorium has had no impact on CenturyLink's disconnections in Vermont. CenturyLink has not disconnected for non-payment due to COVID any business customer in Vermont during [the] pendency of the Commission's moratorium."<sup>55</sup>

Village of Johnson Water & Light Department states that "its experience is that the lifting of the disconnection moratorium incentivized customers to reach out to us and/or to respond to our repeated efforts to contact them regarding their past due bills. For those customers that were eligible for VCAAP funds, it helped us convince them to apply for those funds. For those customers not eligible for VCAAP, it helped us secure payment plans from them, many of whom were un-responsive to our correspondence during the moratorium. Therefore, the lifting of the disconnection moratorium has not had a significant impact on the Village's disconnection numbers at this time. <sup>56</sup>

**WEC** states that it "began sending disconnection notices in November after the moratorium ended. This effort motivated members to reach out to WEC for help and enabled WEC to advise struggling members of the VCAAP program and to establish budget plans." <sup>57</sup>

**Barton Village Inc. Electric Department** states that it has not conducted any disconnections. <sup>58</sup>

<sup>&</sup>lt;sup>52</sup> Morrisville 12/15 Comments at 1.

<sup>&</sup>lt;sup>53</sup> Stowe Electric 12/15 Comments at 2.

<sup>&</sup>lt;sup>54</sup> Consolidated 12/15 Comments at 1.

<sup>&</sup>lt;sup>55</sup> CenturyLink 12/15 Comments at 1.

<sup>&</sup>lt;sup>56</sup> Johnson 12/15 Comments at 1.

<sup>&</sup>lt;sup>57</sup> WEC 12/15 Comments at 2.

<sup>&</sup>lt;sup>58</sup> Barton 12/14 Comments at 1.

**BED** states that because it had continued its own moratorium, BED has not shut off any customer for non-payment.<sup>59</sup>

**GMP** states that because it had continued its own moratorium, GMP has not shut off any customer for non-payment. <sup>60</sup>

VGS states that it "will not be pursuing disconnections this winter season. The lifting of the moratorium has therefore had no effect on our disconnection numbers. Our last disconnection for non-payment was in October 2019."61

AT&T states that the "end of the moratorium had no effect on AT&T's disconnection of residential customers. At the time the moratorium was lifted, the company was in the process of withdrawing from the local residential market – a process that was completed by mid-November – and it was not disconnecting residential customers for nonpayment during October and November. On the business side, AT&T disconnected 10 customers for nonpayment between October 16 and November 30, 2020."62

## How many customers have made use of VCAAP funding?

Village of Hyde Park Electric Department states that 37 of its electric customers made use of VCAAP funds. 63

The Eight RLECS provided their response in the form of the chart reproduced above.

**Swanton Village, Inc. Electric Department** states that 91 of its customers received VCAAP funding.<sup>64</sup>

Village of Orleans Electric Department states that 33 of its customers applied for VCAAP.<sup>65</sup>

**Town of Northfield Electric Department** had 50 customers apply for VCAAP assistance, and 39 of those were verified to have qualifying arrearages. Eleven customers who

<sup>&</sup>lt;sup>59</sup> BED Update at 1.

<sup>&</sup>lt;sup>60</sup> GMP 12/14 Comments at 3.

<sup>&</sup>lt;sup>61</sup> VGS 12/14 Comments at 1.

<sup>62</sup> AT&T 12/10 Comments at 1.

<sup>&</sup>lt;sup>63</sup> Hyde Park 12/18 Comments at 2.

<sup>&</sup>lt;sup>64</sup> Swanton 12/15 Comments at 1.

<sup>&</sup>lt;sup>65</sup> Orleans 12/15 Comments at 1.

applied for VCAAP funding were rejected because they did not have arrearages greater than 60 days. <sup>66</sup>

VEC states that "[b]y the morning of December 15, VEC had 51 non-residential members and 695 residential members that had been verified or approved for financial assistance. The total amount of arrearages covered by these applications totals \$412,938 (\$47,388 non-residential and \$365,550 residential). The VCAAP program has been incredibly helpful to the individual applicants and the Co-op overall during these difficult times." 67

Village of Lyndonville Electric Department states that 95 customers received VCAAP funding.<sup>68</sup>

**Verizon** states that it "does not track whether payments on customer accounts are made by the customer or by VCAAP and so does not know how many of its customers have made use of VCAAP funding."

**Village of Ludlow Electric Light Department** states that 33 of its customers have made use of the VCAAP.<sup>70</sup>

**Town of Hardwick Electric Department** states that 100 customer VCAAP applications were approved totaling \$66,000.<sup>71</sup>

**Village of Jacksonville Electric Company** states that 18 of its customers to date have applied for the VCAAP program – 3 commercial/industrial and 15 residential customers.<sup>72</sup>

Village of Enosburg Falls Water & Light Department Inc. states that it had 58 residential customers and 2 non-residential customers use VCAAP funds.<sup>73</sup>

Village of Morrisville Water & Light Department states that as of "December 14, 2020, seventy-six (76) of our customers have applied for [Vermont COVID-19 Arrearage Assistance Program ("VCAAP")] funding. Of these, sixty-one (61) customers were approved and received funding – thirty (30) of those were also approved for second round/additional

<sup>&</sup>lt;sup>66</sup> Northfield 12/15 Comments at 1.

<sup>&</sup>lt;sup>67</sup> VEC 12/15 Comments at 1.

<sup>&</sup>lt;sup>68</sup> Lyndonville 12/15 Comments at 1.

<sup>&</sup>lt;sup>69</sup> Verizon 12/15 Comments at 1-2.

<sup>&</sup>lt;sup>70</sup> Ludlow 12/15 Comments at 1.

<sup>&</sup>lt;sup>71</sup> Hardwick 12/15 Comments at 1.

<sup>&</sup>lt;sup>72</sup> Jacksonville 12/15 Comments at 1.

<sup>&</sup>lt;sup>73</sup> Enosburg 12/15 Comments at 1.

awards. Of the total sixty-one (61) customers who received VCAAP funding since the inception of the program, nearly half applied after the moratorium was lifted."<sup>74</sup>

**Stowe Electric** states that as of the date of its filing, it had received and reviewed 98 applications for VCAAP funds.<sup>75</sup>

**Consolidated** states that it has approved 186 individual customers for VCAAP funding as of December 7, 2020. The total amount of eligible arrearages for these customers is \$26,264.88, which "is just a small portion of the total arrearages for basic service during the qualifying time period."<sup>76</sup>

**CenturyLink** states that "it is not aware of how many of its business customers may have applied for or obtained VCAAP funding. Furthermore, CenturyLink is a competitive carrier offering IP-based voice and data services to businesses in Vermont. CenturyLink thus has zero (0) business customers subscribed to basic telephone service in Vermont."<sup>77</sup>

**Village of Johnson Water & Light Department** states that "as of the end of the day on Monday, December 14th, 70 Village customers have made use of VCAAP funding."<sup>78</sup>

**WEC** states that it "had 237 members make use of VCAAP funding for a total of \$214,491.28. Of these 237 members, two were commercial members (\$4,445.48) and 235 were residential members (\$210,045.80).<sup>79</sup>

**Barton Village Inc. Electric Department** states that it has had 62 customers receive funds through VCAAP.<sup>80</sup>

**BED** has had 31 non-residential customers and 331 residential customers receive VCAAP funding.<sup>81</sup>

**GMP** states that 6,517 customers received assistance through VCAAP as of December 14, 2020, , although at month's end more than 27,100 GMP customers were still in arrears, with now over \$14 million more than 60 days past due. This is an increase in both customer count and arrearage even after the VCAAP funding became available and is substantially higher than

<sup>&</sup>lt;sup>74</sup> Morrisville 12/15 Comments at 1.

<sup>&</sup>lt;sup>75</sup> Stowe Electric 12/15 Comments at 2.

<sup>&</sup>lt;sup>76</sup> Consolidated 12/15 Comments at 1

<sup>&</sup>lt;sup>77</sup> CenturyLink 12/15 Comments at 1.

<sup>&</sup>lt;sup>78</sup> Johnson 12/15/ Comments at 1.

<sup>&</sup>lt;sup>79</sup> WEC 12/15 Comments at 3.

<sup>&</sup>lt;sup>80</sup> Barton 12/15 Comments at 1.

<sup>&</sup>lt;sup>81</sup> BED Update at 2.

GMP experienced before the pandemic. For context, at the end of November 2019, GMP had about 12,600 customers in arrears with a total balance of just under \$2.8 million.<sup>82</sup>

VGS states that, as of December 14, 2020, "there have been 1,033 VCAAP payments applied to 926 unique VGS customer accounts. We continue to receive, review, and verify VCAAP applications daily so this number will grow until the program comes to an end." 83

AT&T states that it "is unaware of how many of its customers – if any – made use of VCAAP funding. The company did not review and process customer applications for such funding so that, if any AT&T customer submitted a VCAAP application and received an award through the program, AT&T would not be aware of that award. [Note: The chart of VCAAP distributions submitted to the Commission by the Department of Public Service on November 16, 2020, does not list any distributions to AT&T]."84

What percentage of customers who have arrearages are actively participating in, or seeking to participate in, discussions about repayment plans?

**Village of Hyde Park Electric Department** states that since it has been advocating for use of the VCAAP program, it has not really changed/increased – typically 1% or less take advantage of the repayment plans. 85

The Eight RLECS provided their response in the form of the chart reproduced above.

**Swanton Village, Inc. Electric Department** states that in both October and November, 2% of the customers that were mailed a disconnect notice entered repayment plans.<sup>86</sup>

Village of Orleans Electric Department states that "[a]bout 20% of our customers that have arrearages and were helped with VCAAP actually paid their bills in full" and that "80% of our customers that have arrearages and were helped with VCAAP have made no attempt to actively discuss repayment."<sup>87</sup>

**Town of Northfield Electric Department** states that approximately 30 customers in arrearages (about 10%) are actively participating in or are seeking repayment plans.<sup>88</sup>

<sup>82</sup> GMP 12/14 Comments at 3.

<sup>83</sup> VGS 12/14 Comments at 1.

<sup>&</sup>lt;sup>84</sup> AT&T 12/10 Comments at 1.

<sup>85</sup> Hyde Park 12/18 Comments at 2.

<sup>&</sup>lt;sup>86</sup> Swanton 12/15 Comments at 1.

<sup>&</sup>lt;sup>87</sup> Orleans 12/15 Comments at 1.

<sup>&</sup>lt;sup>88</sup> Northfield 12/15 Comments at 1.

VEC states that there "are currently 399 active payment arrangement plans with VEC members which equates to approximately 30% of the number of over 60-day arrearage accounts." 89

**Village of Lyndonville Electric Department** states that during the moratorium its customers stopped communicating with it regarding arrearages. In 2019, Lyndonville had 1,246 payment arrangements compared to the 622 so far in 2020. In November, Lyndonville mailed 601 delinquent notices and had payment arrangements with 75 customers (12.5% rate). 90

**Verizon** states that "[a]pproximately 22% of Verizon's customers in Vermont with arrearages have recently entered into repayment plans." 91

Village of Ludlow Electric Light Department states that less than 1 percent of their customers who have arrearages are actively participating in, or seeking to participate in, discussions about repayment plans.<sup>92</sup>

**Town of Hardwick Electric Department** states that from October 15, 2020, it had 16% of its customers with arrearages make arrangements. <sup>93</sup>

**Village of Jacksonville Electric Company** states that "45% [of its customers in arrears] are in a re-payment plan and the other 55% will soon be receiving disconnection notices and will likely enter into a repayment plan if they are unable to pay in full."<sup>94</sup>

Village of Enosburg Falls Water & Light Department Inc. states that it has had 16 customers enter repayment plans since the moratorium was lifted, which is approximately 1.5% of the customers who had arrearages. 95

Village of Morrisville Water & Light Department stated that "[s]ince the onset of the Pandemic, approximately three hundred eighty-three (383) of our electric customers have been in arrears. The total number of repayment plans since March is twenty-two (22) or 5.7% of the total customers in arrears. Seven (7) or 1.8% of these repayment plans were executed pursuant to the lifting of the moratorium."<sup>96</sup>

<sup>&</sup>lt;sup>89</sup> VEC 12/15 Comments at 1.

<sup>&</sup>lt;sup>90</sup> Lyndonville 12/15 Comments at 1.

<sup>&</sup>lt;sup>91</sup> Verizon 12/15 Comments at 2.

<sup>&</sup>lt;sup>92</sup> Ludlow 12/15 Comments at 1.

<sup>93</sup> Hardwick 12/15 Comments at 1.

<sup>&</sup>lt;sup>94</sup> Jacksonville 12/15 Comments at 1

<sup>&</sup>lt;sup>95</sup> Enosburg 12/15 Comments at 1.

<sup>&</sup>lt;sup>96</sup> Morrisville 12/15 Comments at 1.

**Stowe Electric** states that as of the date of its filing, it has not enrolled any customer with an arrearage into a payment plan.<sup>97</sup>

**Consolidated** states that it "has not yet begun the collection process for basic service, only 0.15% of customers with basic service 60-day arrearages are participating in a repayment plan."

**CenturyLink** determined that it had zero (0) business customer accounts subject to extended payment terms due to alleged impacts of COVID-19. 99

**Village of Johnson Water & Light Department** states that "approximately 6% of Village of Johnson customers are actively participating in or seeking to participate in repayment plans." <sup>100</sup>

**WEC** has 45 active payment arrangements and 870 members in arrears by 60 days or more as of the end of November 2020. This represents only 5% of those in arrears as of the end of November. <sup>101</sup>

**Barton Village Inc. Electric Department** states that "there have been about 5 customers who have set up payment plans which is 1.6% of customers that are in arrears." <sup>102</sup>

**BED** states that from March through December 2020, of the approximately 21,500 residential and commercial accounts in arrears, less than 1% have participated in discussions about repayment plans. <sup>103</sup>

GMP states that "of the approximately 27,100 GMP customers in arrears, 1169 customers (~4.3%) currently have payment arrangements. Of those, 67 customers (~0.2%) have payment arrangements after receiving VCAAP funding. It is important to note that we have not yet sought to put many customers on payment plans because of concern that would make them ineligible for VCAAP funding. Now that the VCAAP application period is set to end on December 15, 2020, we hope to implement our plan to actively enroll customers in payment arrangements." <sup>104</sup>

<sup>&</sup>lt;sup>97</sup> Stowe Electric 12/15 Comments at 3.

<sup>&</sup>lt;sup>98</sup> Consolidated 12/15 Comments at 1.

<sup>&</sup>lt;sup>99</sup> CenturyLink 12/15 Comments at 2.

<sup>&</sup>lt;sup>100</sup> Johnson 12/15 Comments at 1.

<sup>&</sup>lt;sup>101</sup> WEC 12/15 Comments at 3.

<sup>&</sup>lt;sup>102</sup> Barton 12/15 Comments at 1.

<sup>&</sup>lt;sup>103</sup> BED Update at 2.

<sup>&</sup>lt;sup>104</sup> GMP 12/14 Comments at 3.

VGS states that "VGS had previously implemented a proactive 12-month repayment plan for impacted customers that commenced in September. There were 1,753 customer accounts that were enrolled, which was approximately 40% of accounts that had arrearages over 60 days. Additionally, our Customer Care Reps regularly promote our repayment plan with customers who could benefit from having additional time to pay off a past-due balance. To date, the execution of and reaction to our repayment plan approach has been very positive with customers." <sup>105</sup>

AT&T states that for "the reason set forth in the response to Question 1, this question is irrelevant to AT&T's now-former residential customers. AT&T has no specific information regarding the participation of its business customers in arrearage repayment plans, although it is possible that some of those customers have made payment arrangements to avoid disconnection of service." <sup>106</sup>

# IV. COMMENTS ON REINSTATING A TEMPORARY MORATORIUM ON UTILITY DISCONNECTIONS

On December 11, 2020, Vermont Legal Aid filed its request with the Commission to reinstate the moratorium on utility disconnections.

## Vermont Legal Aid's Motion

Vermont Legal Aid asks the Commission to reinstate the temporary moratorium on involuntary utility disconnections because the current situation in Vermont concerning the COVID-19 pandemic now warrants reinstating a disconnection moratorium.

Vermont Legal Aid observes that recently the pandemic has taken a dramatic turn for the worse in Vermont, with Covid-19 cases going from 14 new cases reported on October 15, 2020, to 181 cases on December 3, 2020, and 100 new cases on December 8, 2020. Given such increases, the Governor has now stated that the mixing of households is to be avoided because of the escalating threat of spreading the coronavirus.

<sup>&</sup>lt;sup>105</sup> VGS 12/14 Comments at 1-2.

<sup>&</sup>lt;sup>106</sup> AT&T 12/10 Comments at 1.

<sup>&</sup>lt;sup>107</sup> Vermont Legal Aid Motion at 2

<sup>&</sup>lt;sup>108</sup> *Id*.

Vermont Legal Aid notes that this worsening of the pandemic is happening right at the time when the VCAAP has stopped accepting applications. <sup>109</sup> With this important resource disappearing for utility consumers, Vermont Legal Aid asserts that the threat of disconnection is even more concerning and dangerous. Vermont Legal Aid argues that now is the time to reinstate the moratorium to avoid disconnections at a time when the pandemic is worsening and resources for customers are shrinking.

Next, Vermont Legal Aid notes that all utilities have had the opportunity to work with customers to access VCAAP funds, so utilities should be in better financial condition now than they were when the original moratorium was lifted. This was a major concern of some utilities when the moratorium was lifted. Vermont Legal Aid states that given the beneficial impact on utilities of VCAAP funding, it should be easier for utilities to manage another moratorium now. 110

Further, Vermont Legal Aid points out that there are many consumers – for example, those ineligible for VCAAP assistance – who will need a moratorium to avoid losing their utility service.<sup>111</sup>

Vermont Legal Aid also argues that "while the new emergency protections issued by the Commission may be of assistance to some consumers, they are insufficient in a situation where any disconnection threatens public health. If the new protections create a de facto moratorium, then why not simplify matters and reinstate the moratorium?" <sup>112</sup>

Vermont Legal Aid concludes that the "case could not be clearer that the temporary halt of involuntary utility disconnections must be reinstated immediately and continue through the duration of the state of emergency. Vermonters' lives depend on it."<sup>113</sup>

#### The Department's Motion

The Department supports Vermont Legal Aid's request and also moves for a reinstatement of the temporary moratorium on utility disconnections. <sup>114</sup> The Department states

<sup>&</sup>lt;sup>109</sup> Vermont Legal Aid Motion at 2.

<sup>&</sup>lt;sup>110</sup> *Id.* at 3.

<sup>&</sup>lt;sup>111</sup> *Id*.

<sup>&</sup>lt;sup>112</sup> *Id*.

<sup>&</sup>lt;sup>113</sup> Id.

<sup>&</sup>lt;sup>114</sup> Department Motion at 1.

that there is renewed good cause for the Commission to reinstate the moratorium. The Department notes the pervasive and sustained nature of the public health risks and economic duress that the pandemic is causing. The Department also "recommends that the [Commission] particularly specify the sectors over which any moratorium order asserts jurisdiction: electric service, natural gas service, traditional landline telephone service. In addition, the Department recommends that the [Commission] craft its order so as to co-terminate with whenever the Governor ultimately declares an end to the State of Emergency." 116

## Comments on Vermont Legal Aid and the Department's Motions

Several entities filed comments in response to the motions filed by Vermont Legal Aid and the Department. Each entity is listed below with a summary of its comments.

**356 Vermonters** ask the Commission to "[p]lease immediately reinstate a moratorium on utility disconnections to last throughout the statewide state of emergency." They argue that it makes sense to reinstate the moratorium in the context of the spike in COVID-19 cases statewide, freezing winter temperatures, continued online education, and the closing of the VCAAP on December 15, 2020.

The VPIRG Coalition supports reinstating the moratorium because of the ongoing COVID-19 pandemic and the fact that loss of utility service during this pandemic would be catastrophic for Vermonters. 118

Consolidated states that it opposes the motions because "both our customers and our company will be best served if we are able to assist customers in managing their past due balances on an individual basis, rather than with the reinstatement of a blanket moratorium on disconnections for all utilities." Consolidated notes that it has "actively participated in the Vermont Arrearage Assistance Program, as of Monday, December 7, we had approved one hundred eighty-six (186) customers for funding. While this is a great help for the customers who were approved, it is only a small percentage of the total customers currently behind in paying their basic telephone charges. Many customers who are past due have not engaged with us to set

<sup>&</sup>lt;sup>115</sup> Department at 2.

<sup>116</sup> Id

<sup>&</sup>lt;sup>117</sup> 350 Vermonters 12/14 Comments at 1.

<sup>&</sup>lt;sup>118</sup> Coalition 12/14 Comments at 1-2.

<sup>&</sup>lt;sup>119</sup> Consolidated 12/17 Comments at 1.

up a payment arrangement, and we expect that will likely continue if the disconnection moratorium is reinstated. As past due balances continue to grow it becomes increasingly difficult to mutually agree upon a payment arrangement that will allow a customer to pay their current charges while making incremental reductions in the total overdue balance."<sup>120</sup>

The Eight RLECs oppose the motions for the reasons stated by Consolidated. 121

VEC prefers that the moratorium not be reinstated but "will not object if the Commission ultimately determines to reinstate a temporary moratorium." VEC believes that it has sufficient flexibility to work with customers that it does not need another moratorium. Further, VEC does not want its members to suffer a growth in arrearages that VEC believes are a result of a moratorium on disconnections. VEC further notes that if a moratorium is reinstated, "VEC requests that the Commission allow for limited exceptions. One such exception should be in the case of an unoccupied property provided the notification requirements of rule 3.300 ha[ve] been properly applied. We also recommend that there be a mechanism whereby other exceptions could be made by the Department or Commission on a case by case basis for special situations if petitioned by a utility." 124

WEC supports reinstatement of the moratorium because WEC "recognizes that during these continuing unprecedented times the pandemic is creating financial hardship for many of its members." However, WEC asks the Commission to make it clear that consumers need to reach out to and work with their utilities during any moratorium to prevent the buildup of unmanageable consumer arrearages. WEC also suggests that the Commission set the reinstated moratorium for a specified time period and, before the end of that period, seek comments on whether it should be extended. 126

**GMP** supports Vermont Legal Aid's request to reinstate the temporary moratorium because of the social and economic toll COVID-19 has placed on GMP customers. GMP states

<sup>&</sup>lt;sup>120</sup> Consolidated 12/17 Comments at 2.

<sup>&</sup>lt;sup>121</sup> Eight RLECs 12/18 Comments at 1.

<sup>&</sup>lt;sup>122</sup> VEC 12/15 Comments at 3.

<sup>&</sup>lt;sup>123</sup> Id.

<sup>124</sup> Id.

<sup>&</sup>lt;sup>125</sup> WEC 12/15 Comments at 1.

<sup>&</sup>lt;sup>126</sup> *Id*. at 2.

that it has continued and will continue its own temporary moratorium regardless of whether the Commission reinstates a statewide moratorium. 127

**BED** supports Vermont Legal Aid's request to reinstate the temporary moratorium because of the ongoing problems caused by the pandemic. BED itself has maintained its own continued moratoria on involuntary disconnections of service for nonpayment and assessment of customer late fees, even after the moratorium had been lifted by the Commission on October 15, 2020. BED states that its support for the reinstatement of the moratorium is conditioned on it being implemented in conjunction with pursuit of a second legislative allocation of VCAAP funds to be distributed to customers in need during and following any reinstated moratorium. 129

VGS supports the reinstatement of the moratorium and has already communicated to the Commission that VGS will not be pursuing disconnections during the 2020-2021 winter season. <sup>130</sup>

**Village of Hyde Park Electric Department** does not appear to support reinstating the moratorium, instead arguing that it makes more sense to advocate with the Legislature to release more energy assistance funding to community assistance agencies. Hyde Park Electric argues that it needs its "consumers to get assistance and the only way for them to get assistance is by risk of disconnection, twisted, but a reality for program eligibility." 132

VPPSA opposes reinstating the moratorium. VPPSA "member utilities remain concerned that the Moratorium acts as a disincentive for customers to communicate with their utilities about unpaid balances and will result in customers accruing balances that they are ultimately unable to pay." VPPSA states that non-profit utilities, such as its members, do not have the financial resources to deal with another moratorium. The VPPSA members continue to believe that the most effective way to help customers through this difficult time is to provide a structure that encourages open communication and lets the utility work directly with

<sup>&</sup>lt;sup>127</sup> GMP 12/14 Comments at 1-2.

<sup>&</sup>lt;sup>128</sup> BED 12/14 Comments at 1-2.

<sup>&</sup>lt;sup>129</sup> Id. at 2.

<sup>&</sup>lt;sup>130</sup> VGS 12/14 Comments at 1; VGS 12/17 Comments at 1.

<sup>&</sup>lt;sup>131</sup> Hyde Park 12/18 Comments at 1.

<sup>&</sup>lt;sup>132</sup> *Id*. at 2.

<sup>&</sup>lt;sup>133</sup> VPPSA 12/18 Comments at 1.

<sup>&</sup>lt;sup>134</sup> *Id*.

the customer on repayment options and terms."<sup>135</sup> VPPSA also notes that not all customers that have utility arrearages were eligible to receive funds through VCAAP. <sup>136</sup>

#### V. DISCUSSION

Having reviewed the materials in this proceeding, the Commission partially grants the motions of Vermont Legal Aid and the Department and temporarily resumes the moratorium on involuntary disconnections of natural gas, electric, and traditional landline telecommunications service to consumers of regulated utilities in Vermont, except for unoccupied properties. This temporary moratorium shall remain in place through March 31, 2021. At that time, we will consider whether circumstances warrant continuing the moratorium or letting it lapse. We take this action based on the same authority stated in our March 18, 2020, Order in this proceeding. <sup>137</sup>

We make this decision for several reasons. The pandemic has been worsening in Vermont, and additional measures are needed to protect the health and finances of our citizens. New cases of coronavirus have been escalating since late October, with new cases seeming to plateau recently at an average of 100 new cases daily. These daily figures are much higher than when we originally instituted the moratorium in March 2020 and higher than when we lifted the moratorium in mid-October 2020. As the pandemic lengthens and worsens, the resultant economic challenges for Vermonters, including the payment of utility bills, will also worsen. We find that reintroducing a temporary disconnection moratorium now will help ameliorate some of the financial pressure on Vermonters caused by the pandemic.

Further, the expiration of the VCAAP provides an additional reason to reintroduce a temporary moratorium. In asking us to lift the moratorium in October, the Department and several utilities argued that the moratorium was impeding utilities' ability to address arrearages with their customers and reducing the incentive for customers to access the time-limited federal funds available through VCAAP. This placed financial pressure on the utilities. By lifting the moratorium, it was supposed, we would provide an incentive for customers to apply for VCAAP

<sup>&</sup>lt;sup>135</sup> VPPSA 12/18 Comments at 1.

<sup>136</sup> Id

<sup>&</sup>lt;sup>137</sup> Order Granting Temporary Moratorium on Involuntary Natural Gas, Electric, And Telecommunications Service Disconnections, Case No. 20-0703-PET, issued on 3/18/2020, at 2-3.

<sup>&</sup>lt;sup>138</sup> See Covid Modeling – December 15, 2020, accessed at http://dfr.vermont.gov/about-us/covid-19/modeling.

funds and resolve outstanding balances, thereby reducing financial pressure on consumers and utilities.

It appears that lifting the moratorium helped achieve this goal. Most recently, according to the Department, "the full \$8 million VCAAP appropriation is on track to be exhausted by December 15 – the date on which the program will end." Having successfully worked with their customers in the absence of the moratorium, utilities secured \$8 million from VCAAP to relieve at least some of the financial pressure on them and their customers from ongoing past-due bills.

Because the VCAAP is now closed, it is an appropriate time to reintroduce a temporary moratorium. Lifting the moratorium was premised on the need to encourage customers to apply for time-limited funds available through the VCAAP. With the VCAAP closed, this rationale no longer applies.

Additionally, while financial pressures have lessened for utilities and some consumers, we are concerned that those customers who could not qualify for or access VCAAP funds would still face disconnection this winter without a continued moratorium. As the pandemic nears the one-year mark, many consumers who have been able to keep up with their utility bills may fall behind. Reintroducing a moratorium at this time could help these consumers avoid loss of utility service.

We recognize that utilities in Vermont, particularly several of the smaller utilities, have stated that reintroducing a disconnection moratorium will lead customers to avoid interacting with their utilities and cause them to accrue increasing unpaid balances that place financial pressure on both the utilities and their customers. While we recognize this concern, we find that imposing a temporary moratorium through March 31, 2021, will provide needed relief to utility customers without placing undue financial pressure on utilities. We find this temporary moratorium particularly appropriate at a time when winter weather conditions worsen and the pandemic's negative financial and health impacts increase. Because of these reasons, the Commission finds it appropriate to impose a temporary moratorium on utility disconnections through March 31, 2021.

<sup>&</sup>lt;sup>139</sup> Department 12/14 Comments at 1.

We also strongly encourage customers that are facing past-due balances on their utility accounts to work with their utilities on payment options during the course of this moratorium. In the absence of such efforts, it is possible that any current past-due amounts will simply continue to grow between now and March 31, 2021. If we determine that it is appropriate to allow this moratorium to lapse at that time, customers that do not make efforts to at least partially address any past-due balances may find themselves faced with unmanageable balances at a time when this moratorium expires. <sup>140</sup>

Several commenters made specific recommendations on how the moratorium should be structured should the Commission elect to reinstate it. We review and adopt some of those recommendations below.

**BED** asked the Commission that any moratorium be implemented in conjunction with pursuit of a second legislative allocation of VCAAP funds to be distributed to customers in need during and following any reinstated moratorium.<sup>141</sup>

The Commission agrees that all appropriate entities should encourage both state and federal legislators to provide funding for arrearage relief.

The **Department** makes two recommendations. First, the Department "recommends that the [Commission] particularly specify the sectors over which any moratorium order asserts jurisdiction: electric service, natural gas service, traditional landline telephone service." The Department notes that it "has omitted reference to water companies because they are presently covered by an involuntary disconnection moratorium which was enacted via Section 9 of Act 92 of 2020, and which will remain in effect for the duration of the state of emergency." Second, the Department "recommends that the [Commission] craft its order so as to co-terminate with whenever the Governor ultimately declares an end to the State of Emergency."

The Commission accepts both of the Department's recommendations.

**CenturyLink** argues that if a temporary moratorium is reinstated, the Department's suggestion of limiting the moratorium to "traditional landline telephone service" is "a step in the

<sup>&</sup>lt;sup>140</sup> One possible factor to be considered in our decision of whether to continue the moratorium or to let it lapse after March 31, 2021, could be whether the moratorium has actually provided a disincentive for customers with past-due balances to make efforts to enter into payment arrangements with their utility to resolve those balances.

<sup>&</sup>lt;sup>141</sup> BED 12/14 Comments at 2.

<sup>&</sup>lt;sup>142</sup> Department Motion at 2.

<sup>&</sup>lt;sup>143</sup> *Id.* at 2, n.2.

<sup>&</sup>lt;sup>144</sup> *Id*. at 2.

right direction," but more clarification is needed. According to CenturyLink, any moratorium "should be limited to telecommunications utilities subject to rate-of-return regulation in Vermont." CenturyLink argues that a broad-based moratorium is unfair to entities that must compete in a competitive marketplace.

The Commission declines to adopt the language proposed by CenturyLink. The Department's proposed language is clear and protects a larger group of consumers, while remaining within the scope of our jurisdiction.

**VEC** requests that the Commission allow for limited exceptions: "One such exception should be in the case of an unoccupied property provided the notification requirements of rule 3.300 ha[ve] been properly applied. We also recommend that there be a mechanism whereby other exceptions could be made by the Department or Commission on a case by case basis for special situations if petitioned by a utility." <sup>147</sup>

The Commission finds that VEC's requests are already allowed in practice before the Commission. Therefore, we decline to adopt VEC's recommendations in their entirety. We do, however, agree that it would be beneficial to clarify that the temporary moratorium on disconnections does not apply to unoccupied properties.

#### VI. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission of the State of Vermont ("Commission") that:

- 1. Except for unoccupied properties, a temporary moratorium is placed on the involuntary disconnection of natural gas, electric, and traditional landline telecommunications service to consumers of regulated utilities in Vermont.
  - 2. The temporary moratorium shall remain in place through March 31, 2021.
- 3. We encourage all entities to seek a second legislative allocation of funds for the Vermont Covid-19 Arrearage Assistance Program to be distributed to customers in need.

<sup>&</sup>lt;sup>145</sup> CenturyLink 12/16 Comments at 2.

<sup>&</sup>lt;sup>146</sup> CenturyLink 12/16 Comments at 3.

<sup>&</sup>lt;sup>147</sup> VEC 12/15 Comments at 3.

<sup>&</sup>lt;sup>148</sup> See Commission Rule 1.200.

4. By no later than March 1, 2021, we direct utilities to file information on their customer arrearages and levels of payment agreements. Particularly, we direct utilities to file:

- a. The magnitude of customer balances that are more than 60 days past due, the number of customers with balances that are more than 60 days past due, and how these data compare with the same time period in 2020 (broken out into residential and non-residential customers).
- b. The number of customers with whom the utility has interacted to set up a payment agreement between the date of the issuance of this Order and March 1, 2021.
- c. The number of payment agreements entered into between the date of the issuance of this Order and March 1, 2021.
- d. The number of payment agreements successfully adhered to by the customer between the date of the issuance of this Order and March 1, 2021.
- e. Comments on whether the moratorium should be extended beyond March 31, 2021.

The Commission requests responses to the utilities' March 1, 2021, comments from other parties to this proceeding by March 15, 2021.

OFFICE OF THE CLERK

Filed: December 22, 2020

Attest: Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: <a href="mailto:puc.clerk@yermont.gov">puc.clerk@yermont.gov</a>)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.

#### PUC Case No. 20-0703-PET - SERVICE LIST

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